



Katie M. Brown
Counsel

Duke Energy
40 W. Broad Street
Suite 690
Greenville, SC 29601

o: 864.370.5296
f: 864.370.5183

katie.brown2@duke-energy.com

December 29, 2021

VIA ELECTRONIC FILING

The Honorable Jocelyn G. Boyd
Chief Clerk and Executive Director
Public Service Commission of South Carolina
101 Executive Center Drive, Suite 100
Columbia, South Carolina 29210

**Re: Actions in Response to COVID-19
Docket No. 2020-106-A**

Dear Ms. Boyd:

On behalf of Duke Energy Carolinas, LLC and Duke Energy Progress, LLC (the "Companies"), please find attached for filing in the above-captioned docket the Companies' Quarterly COVID-19 Revenue Impact, Costs and Savings Report through November 30, 2021. This filing is made pursuant to Commission Order No. 2020-372.

Sincerely,

A handwritten signature in blue ink that reads "Katie M. Brown".

Katie M. Brown

Attachment

cc: Parties of Record (via email w/ attachment)

**Quarterly COVID-19 Revenue Impact, Costs and Savings Report
through November 30, 2021
PSCSC Docket No. 2020-106-A**

Duke Energy Carolinas, LLC and Duke Energy Progress, LLC (individually “DEC” and “DEP,” collectively, “the Companies”) provide this Report of COVID-19 Revenue Impact, Costs and Savings pursuant to the Commission’s Order No. 2020-372.

The amounts in the tables below represent updates to the previous Quarterly COVID-19 Revenue Impact, Costs and Savings Report that was filed on September 30, 2021.

I. Revenue Impact

For the Commission’s information, below are the cumulative estimated fixed costs not recovered by DEC SC and DEP SC updated through August 31, 2021^[3].

(\$ in Millions)	DEC SC	DEP SC
As of August 31, 2021		
Fixed costs not recovered ^{[1][2]}	\$40.0	\$9.0
Weather adjusted residential load % change	2.0%	(0.1%)
Weather-adjusted load for remaining customers % change	(8.0%)	(3.0%)

^[1] “Fixed cost not recovered” reflects the impact of the change in kWh to revenues less associated fuel, O&M (uncollectible rate, reg fee, and variable O&M rate), and taxes.

^[2] Based on weather adjusted consumption for 2020 and 2021 compared to 2019 and early 2020 (pre-COVID).

^[3] The Companies have not updated the revenue impact from the amounts included in the previous quarterly report. Additional analysis is being performed around the calculations and data primarily due to Customer Connect implementation. These amounts will be updated in the next quarterly report provided.

II. Incremental COVID-19 Costs and Savings

For the Commission’s information, below are the approximate arrearages to the Companies in SC updated as of November 30, 2021.

Customer Arrearages

(\$ in Thousands)	DEC SC ^[4]		DEP SC ^{[4][5]}	
	August 31, 2021	November 30, 2021	August 31, 2021	November 30, 2021
30 Days	\$24,112	\$15,643	\$11,725	\$9,792
60 Days	\$7,238	\$9,508	\$1,110	\$8,901
90+ Days	\$24,192	\$30,353	\$565	\$2,645

^[4] The timing of the Customer Connect implementation at DEC SC and DEP SC could be impacting arrearage data.

^[5] Prior to the Customer Connect conversion in November 2021, previously provided arrearage balances for DEP SC accounts included only the unpaid billed installment of long-term payment arrangements. The remaining outstanding balance of the long-term payment arrangement was not included in the arrearage balances. The increase in DEP SC arrearages as of November 2021 is primarily the result of the full balances on all payment arrangements now being included in the outstanding arrearage amount, which is now consistent with DEC SC reporting.

For the Commission's information, in November 2021, Duke Energy Carolinas received \$9 million and Duke Energy Progress received \$17 million from the South Carolina State Housing Finance and Development Authority, which was placed in a holding account, for the purpose of paying utility bills in aid to income qualified South Carolina renting households. The Companies will provide customer data to South Carolina State Housing Finance and Development Authority for the purposes of identifying eligible customers. The Companies will also apply funds to the eligible accounts. As such, these assistance funds are not reflected in the Arrears amounts as of November 30, 2021 as reflected in the table above.

For the Commission's information, below are the approximate incremental COVID-19 Costs and Savings to the Companies in SC updated through November 30, 2021.

Summary of Incremental COVID-19 Costs and Savings

(\$ in Thousands)	DEC SC		DEP SC	
Incremental COVID-19 Costs	August 31, 2021	November 30, 2021	August 31, 2021	November 30, 2021
Customer Fees Waived	\$ 5,102	\$ 5,102	\$ 2,186	\$ 2,186
Bad Debt/Charge-offs (incremental to amount set in rates) ^[6]	7,557	7,874	1,778	1,838
Employee Stipends	392	392	105	105
Safety Related - PPE, testing, signage, extra cleaning, etc.	1,849	2,185	434	527
Costs for remote work - IT, MS Teams, bandwidth, servers	305	305	91	91
Other (primarily incremental labor)	839	928	291	342
Total Incremental COVID-19 Costs	\$ 16,044	\$ 16,786	\$ 4,885	\$ 5,089
Less Estimated Incremental COVID-19 Savings				
Total Estimated COVID-19 Savings	\$ (3,003)	\$ (3,111)	\$ (844)	\$ (840)
Net total	\$ 13,041	\$ 13,675	\$ 4,041	\$ 4,249

^[6] The timing of the Customer Connect implementation at DEC SC and DEP SC could be impacting bad debt/charge-offs.